

**ASX ANNOUNCEMENT**

**31 October 2022**

**Quarterly Activities Report**

**For the period ending 30 September 2022**

**Nifty Copper Restart Project**

- **Cyprium has now increased the mineral resource endowment at Nifty Copper Project by over 40% and the west and east of the mineralisation remains open**
- **The updated mineral resource estimates will be included in Phase 1 of the Nifty Restart Project optimisation, which will add further copper tonnes, mine life and cashflow**
- **Environment and Regulatory Approvals received whilst most of the operational readiness and environmental clean-up activities now completed**
- **Advanced discussions are continuing with debt financiers, who are undertaking due diligence activities and reviewing financing documentation**

**Murchison Copper-Gold Project**

- **RC drilling at the Nanadie Well Project has identified broad anomalous zones copper-nickel-PGE mineralisation 1.6 kilometres north of the Nanadie Well resource**
- **RC drilling on the 10 kilometre long layered magmatic/greenstone-metasediment basal contact has identified further copper-nickel-PGE mineralisation**
- **RC drilling has successfully tested the Nanadie mineralisation a further 1.6km along strike to the north**
- **These encouraging results have been prioritised for follow up geophysical and drilling programmes**

Managing Director Barry Cahill commented:

*"The Nifty Copper Project is in a state of readiness so that at the completion of the finance process, there is an effective and efficient transition from care and maintenance to full construction and then commissioning to production.*

*The Nifty Copper Project restart is the first phase of a potential +20-year life and remains robust, with current Australian dollar copper pricing at a similar level to what was used in the Restart Study, which was completed in March 2022. The increase in resources and the reduction in base costs, such as freight, since the study was finalised will only improve that robustness.*

*After 24 months of surface mapping, geophysical surveys, drilling, assaying, interpreting data and generating a mineral resource, we are seeing the results which are demonstrating the size and multi-metal nature of the extensive magmatic system at the Nanadie Well Project.*

*Cyprium is well advanced with the Nifty finance process and the operation itself is at the start line, ready to be refurbished and restarted once the financing is finalised. We look forward to commencing construction post finance, then producing and shipping copper metal, not ore or concentrate, but LME Grade A copper metal cathode, in the north of WA."*

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Cyprium Metals Limited (ASX: CYM) (“Cyprium” or the “Company”) is pleased to provide the following overview of the Company’s activities.

## Nifty Copper Project

### Nifty Copper Project Status

The acquisition transaction for the Paterson Copper Assets, including Nifty Copper Project (on care and maintenance), was completed at the end of March 2021.

Upon transaction completion, personnel and drill rigs were immediately mobilised to site to commence work for the compilation of the Nifty Restart Study (completed and released to the market on 11 March 2022) and to conduct environmental surveys to commence the approval process (the first approval was lodged 14 November 2021) for the restart of the Nifty copper project.

The progress made by Nifty employees to date has been exceptional, with significant progress towards being operationally ready. The workforce again is commended for their efforts and progress whilst the site has remaining on care and maintenance since its acquisition. This has also been achieved at Nifty over the past ~450 days (over 300,000 hours worked) without a Lost Time Injury.



Image 1 \ Cyprium at Nifty – ready to go



## Mineral Resource Estimate

The Nifty Copper Project at the time of acquisition had a reported mineral resource estimate of 658.5 kt of contained copper metal in resource (refer to CYM ASX release dated 10 February 2021, “Transformational Acquisition of Highly Attractive Copper Portfolio”).

Cyprium has reviewed the Nifty mineral resource estimate, completed the inclusion of previous drilling and combined the resources databases for the purposes of the open pit design. The review included the estimate of a single model with geo-metallurgical domains. The resultant mineral resource estimate was released on 17 November 2021, totalling 732.2 kt of contained copper in resource.

Cyprium completed drilling of over 18,000 metres of reverse circulation (“RC”) into the west of the Nifty deposit. This resulted in a second review which returned a mineral resource estimate which was released on 16 May 2022 of 940.2 kt contained copper in resource, 84% of which classified in the measured and indicated category. The west area of mineralisation has still not been closed out with areas of the mineralised formations still having gaps which require drilling including a portion of inferred mineral resource.

Successful drilling of over 5,000 metres of RC drilling into the eastern portion of the mineralisation has been completed and is yet to be included in the latest mineral resource estimate. Currently this information is being compiled for inclusion in the resource. The eastern area is still open for further drilling.

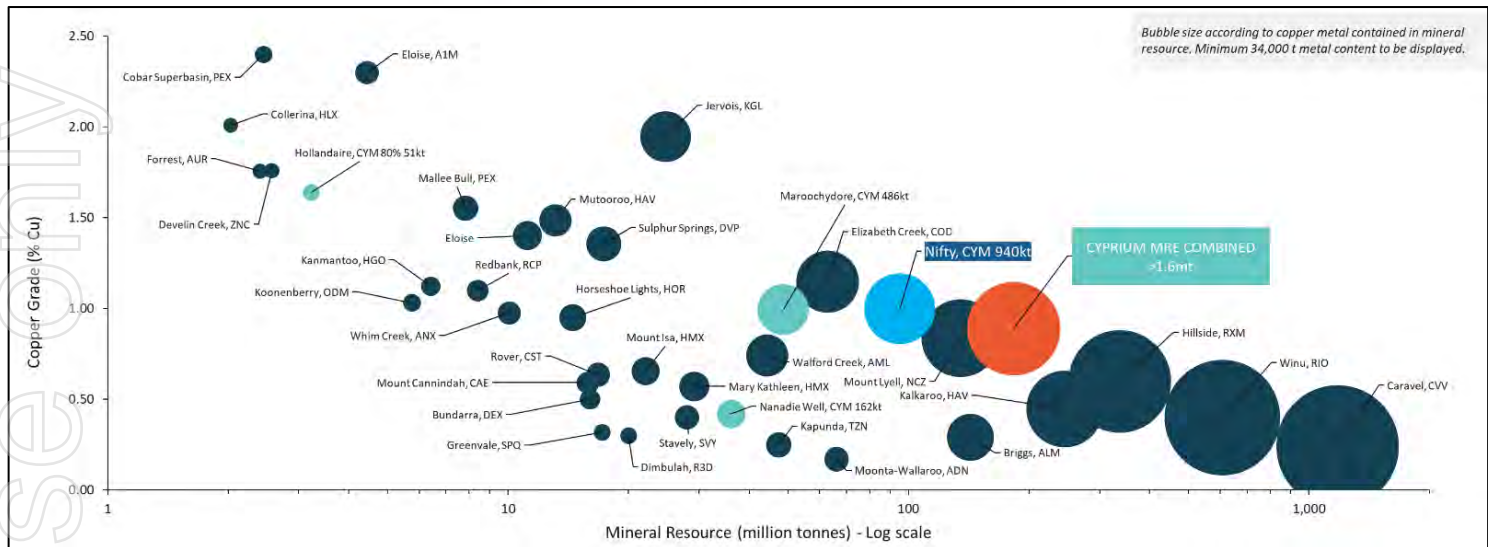
***Cyprium has now increased the mineral resource endowment at Nifty Copper Project by over 40% and the west and east of the orebody is not closed off.***

Future work requires extensional drilling to both the west and the east, and an update to the mineral resource estimate which is expected to increase further.

As can be seen in Figure 1 below, the Nifty Copper Project is currently recognised as the 6<sup>th</sup> ranked development project<sup>1</sup> in Australia by copper metal and the highest grade of the top 6 group. Due to JORC 2012 reporting restrictions that prevent the existing leach pads at Nifty from being included in the reported mineral resource estimates, a further estimated 17.16 Mt @ 0.53%Cu (~91Kt tonnes of copper metal) is contained within the existing heap leach pads for retreatment at Nifty (refer to CYM ASX release dated 11 March 2022, “Nifty Copper Project Restart Study”).

The Cyprium Metals portfolio includes 4 of the 26 largest Australian primary copper resources, being the Nifty, Maroochydore, Nanadie Well and Hollandaire deposits (refer to OZ Minerals Limited (ASX: OZL), 26 August 2022, “Strategy, Aspirations & Province Potential Presentation”). Cyprium’s total combined JORC 2012 mineral resource estimate has increased from nil at the end of 2019 to over 1.6mt of contained copper that is currently reported and illustrated in Figure 1.

**The updated mineral resource estimates will be included in the optimisation which will add further copper tonnes (and cashflow) as well as mine life to the Phase 1 oxide schedule. The copper tonnes added come from the conversion of inferred to indicated resources and the increase in resource by the drilling undertaken.**



**Figure 1 / – Australian Copper Projects Mineral Resource Benchmarking<sup>1</sup>**  
(S&P Global, Evolution Capital)

## Nifty Restart Study

The Nifty Copper Project Restart Study that was released on 11 March 2022. The study highlighted a robust Phase 1 Oxide copper project with the potential for strong financial returns. The study did not include any inferred mineral resources, nor the drilling undertaken to the west and east of the mineralisation, of which the results of the Nifty west drilling programme has been subsequently included in the updated mineral resource estimate. The study also did not include the large sulphide resource which has the potential to increase the mine life by over 20 years (the study included less than 10% of the total May 2022 Nifty Resource Estimate).

The results of the Nifty Phase 1 Restart Study included:

- C1 costs of USD1.91/lb and C3 costs of USD2.82/lb
- Average production of 25,000 tpa copper cathode
- Cathode production 146,100 tonnes copper metal
- Pre-production capital AUD149M
- NPV @7% of AUD277M with an IRR of 37% (post tax)
- Oxide mine life 2023-29 at ~6.3 years (pre-MRE upgrade) with sulphide potential +20yrs
- Free cashflow AUD544M
- Payback in 3 years

The copper pricing used in the study was AUD12,000/t of copper (USD9,000/t copper or ~USD4.00/lb at an AUD: USD exchange rate of 0.75). As at the 26 October 2022, pricing sat at AUD12,123/t of copper (~USD3.50/lb). The pricing of a number of components of the project such as freight have reduced considerably since the study maintaining the project as a robust development project.

Currently optimisation processing is being undertaken on the pit shape against the current resource and further work will be required when the new resource is updated. The updated pit shape will then be scheduled and added to the base case financial model that is currently being used for the finance process.

1. Evolution Capital, 6 June 2022, "Cyprium Metals Limited, Right Plan – Right Team – Right Time for Nifty (update)", <https://cypriummetals.com/wp-content/uploads/EvolutionCapitalEquityResearch06Jun22.pdf>



**Chart 1 \ LME Cash Price in AU\$/t since Nifty Acquisition March 2021**  
(Source: LME USD Cash Price and RBA AUD/USD FX rates)

## Environment and Regulatory Approvals

The environmental focus for Cyprium since taking charge of the Nifty site has been to rectify numerous pre-existing and outstanding issues at the site, including:

- Rectified the leach pad environmental pond and spill, and then refurbishing drainage to prevent re-occurrences. This has included the work on pond drainage and cleaning to increase the available storage volume.
- Rectified the hydrocarbon content in the washdown evaporation pond.
- Recovered the site of a pre-acquisition unplanned detonation of explosives incident.
- Disposed of and restored chemicals and hydrocarbons.
- Rectified substandard bunding and leaking storage facilities.
- Safely disposed of expired chemicals.
- Suppression of dust at the tailings dam.
- Site wide clean up in all areas and collection of waste and scrap material into separate areas. This material is currently being recovered by a scrap merchant. A portion of this scrap material, e.g., scrap anodes and cathodes on pallets, were from the previous heap leach solvent extraction and electrowinning (“SX-EW”) operations which have not been operational since 2009.

### NIFTY COPPER PROJECT APPROVALS

| Department   | Permit / Item   | Description   | Status                              | Date Lodged                    | Approved   |
|--|---|---|-------------------------------------|--------------------------------|--|
| Department of Water & Environmental Regulation (DWER)      | Works Approval and Licence  | Amended Prescribed Activities Licence to enable processing  | Application accepted and advertised | 8 <sup>th</sup> March 2022     | 4 <sup>th</sup> May 2022                                       |
|  | 26D Licence to Alter Water Abstraction Methods of an Existing Licence | Change in abstraction mechanism under the existing water license  | Lodged                              | 25 <sup>th</sup> February 2022 | 9 <sup>th</sup> June 2022                                      |
| Department of Mines Industry Regulation & Safety (DMIRS)   | Native Vegetation Clearing Permit x 2                                 | Authorises the clearing of native vegetation for project development  | Lodged                              | 14 <sup>th</sup> November 2021 | 25 <sup>th</sup> August 2022<br>6 <sup>th</sup> September 2022 |
|  | Mining Proposal   | Approval for mining activities and construction of mine infrastructure                                      | Lodged                              | 21 <sup>st</sup> February 2022 | 10 <sup>th</sup> October 2022                                  |
|  | Mine Closure Plan   | Defines rehabilitation and closure accompanying the Mining Proposal   | Lodged                              | 21 <sup>st</sup> February 2022 | 10 <sup>th</sup> October 2022                                  |
|  | Project Management Plan   | Project safety plan approval  | Approval                            | 20 <sup>th</sup> January 2022  | 22 <sup>nd</sup> March 2022                                    |
| Department of Jobs, Tourism, Science and Innovation (JTSI) | State Agreement – Additional Proposal                                 | Proposal to modify, expand, or vary Nifty Copper’s activities beyond the existing State Agreement approvals | To be lodged post finance           |                                |  |

**Table 1 / Government Approvals Status**

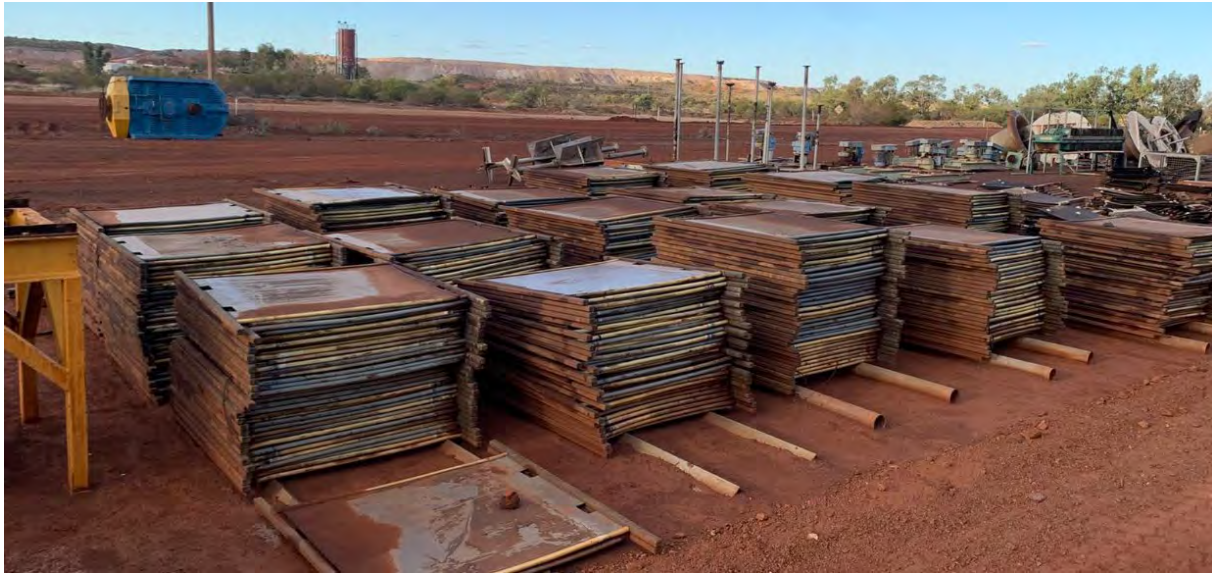


Image 2 \ Scrap anodes and cathodes

Concurrently Cyprium conducted flora and fauna surveys to tie in the site areas where the surveys had not occurred and in preparation for the Nifty Restart Project approvals process. As can be seen from Table 1, the approvals process is now nearing completion with the final approval for the amendment to the State Agreement, which is required to be submitted post finance.

#### **Site Refurbishment and Operational Readiness**

Warehouse and inventories collection activities are now essentially complete. This means that all materials have been centralised and catalogued to the central warehouse facilities which then allows obsolete or unnecessary stock to be monetised.

The communications upgrade for data speed and 4G services have been completed. The 4G services require upstream Telstra infrastructure upgrades whilst the data speed upgrade has been completed.

The SX-EW ponds and associated infrastructure upgrades are 60% complete. Preparational work for the engineering of the refurbishment has been completed, with assessments done on all items for refurbishment or replacement. The four major items of plant (long lead items) have been quoted and awaiting finance for purchase orders to be submitted.

The SX-EW plant at Nifty has already produced more than 200,000 tonnes of copper cathode and is the same technologically as the SX-EW plant that was previously successfully refurbished and expanded the capacity from 16,000 to 25,000 tonnes of copper cathode per annum by the Cyprium management team at the Indonesian Wetar Copper Project. During the first full year of operations at Wetar, over 25,000 tonnes of copper cathode was sold, generating earnings before interest, taxes, depreciation and amortization (“EBITDA”) of AUD119.2 million (refer to Finders Resources Limited 2017 Annual Report).

Camp upgrades are also now 60% complete. Camp occupancy costs are being partially covered by external parties that are also utilising the upgraded accommodation.

There are some refurbishment and upgrade activities continuing where the materials are available onsite.

The Operational Readiness process has reached a point where the remaining items will be completed post finance and during the construction period. The completed tasks include the completion of the set up and installation of systems, such as:

- ERP – Pronto and Power Business Intelligence reporting systems
- INX – personnel scheduling, safety and environmental management
- HiBob – personnel system

There are also geological, mining and survey systems that have been completed.

Safety management systems include operating procedures and work systems including work permits.

The operational readiness is at the go line for when finance is completed to ensure an effective and efficient transition to construction and operations as personnel are onboarded. The following outlines progress made around the site and images to illustrate this.



**Image 3 / Copper Leaching from Heaps – blue is copper sulphate**

Work around the heap leach pads has involved trenching and drilling to obtain samples for assay and testing. Drainage has been re-established to direct leach solutions to the collection ponds and prevent overflowing during rain events. Access has also been re-established to the top of the heap for transport and placement of residue from the collection ponds. Image 3 shows where leach solution exits and collects after each significant rain event. The blue colour is the copper sulphate in the leach solution and the copper can be seen precipitating on the bottom lift of the heap in the background. This photograph was taken on the 25 September 2022 and clearly demonstrates that the heap pads continue to leach copper.

The solution from the heap has been directed to collect in the drains at the heap front. To achieve this, repairs had been undertaken to some liners and material has been cleaned out of a number of areas from these drains. Image 4 shows where these drains have collected the solution and flows into the primary leach solution (PLS) pond.



Image 4 / Leach Solution from Heap Drains – twin drains of copper sulphate solution

Over time, the collection ponds have filled up with residue so that there is limited storage freeboard. The residue is a mixture of ore fines, precipitated solids and solution. The team has been pumping solution from these ponds and have established access so that the ponds can be dried out and the material excavated back up to the heap leach. Once the ponds have been emptied, they are able to be inspected, refurbished, and relined. In the mean time, the capacity has been improved so that in rainfall events, the solution is retained within the ponds, which has previously been restricted due to being filled with solids. Image 5 shows this solution at the pump outlet being discharged to the PLS pond (relatively clean and free of solids). The solution has a grade of +10 gpl copper when compared to a usual solvent extraction (SX) feed grade of 3 to 4 gpl copper. This significant solution inventory of over 500 tonnes of copper is available for project commissioning.





Image 5 / Leach Solution pumped from collection ponds to PLS pond – blue copper sulphate solution

The clean-up of the SX has been completed to a stage where it is ready for refurbishment tasks to commence.

The EW clean-up has proceeded very well with stripping of anodes and cathodes from cells. Many cathodes still had copper attached which has been stripped and placed on pallets ready for sale. There are currently around 25 tonnes of copper cathode on pallets. Image 9 shows pallets of copper cathode ready to transport.

The tanks have been found to contain dropped anode and cathode as well as a dried copper sulphate solid at the base, as shown in Image 6.



Image 6 / Copper cathode to be recovered from the bottom of an EW cell after removing cathodes and anodes – red metal plates

The anodes and cathodes have been palletted up for sale as they have recycling value for lead, stainless steel and copper. The dried solids have been collected for return to the circuit for when the refurbishment commissioning commences.

Once the solids are removed, the pipework is taken out and the tanks cleaned. The tanks are then filled and hydrotested for any leakage as can be seen in Image 7. The tanks are then emptied and await a reline and leak repair when refurbishment commences as shown in Image 8.

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Image 7 / Hydro testing EW cells following removal of cathodes and anodes and clean up



Image 8 / EW cells stripped of anodes and cathodes, cleaned and hydrotested waiting for refurbishment

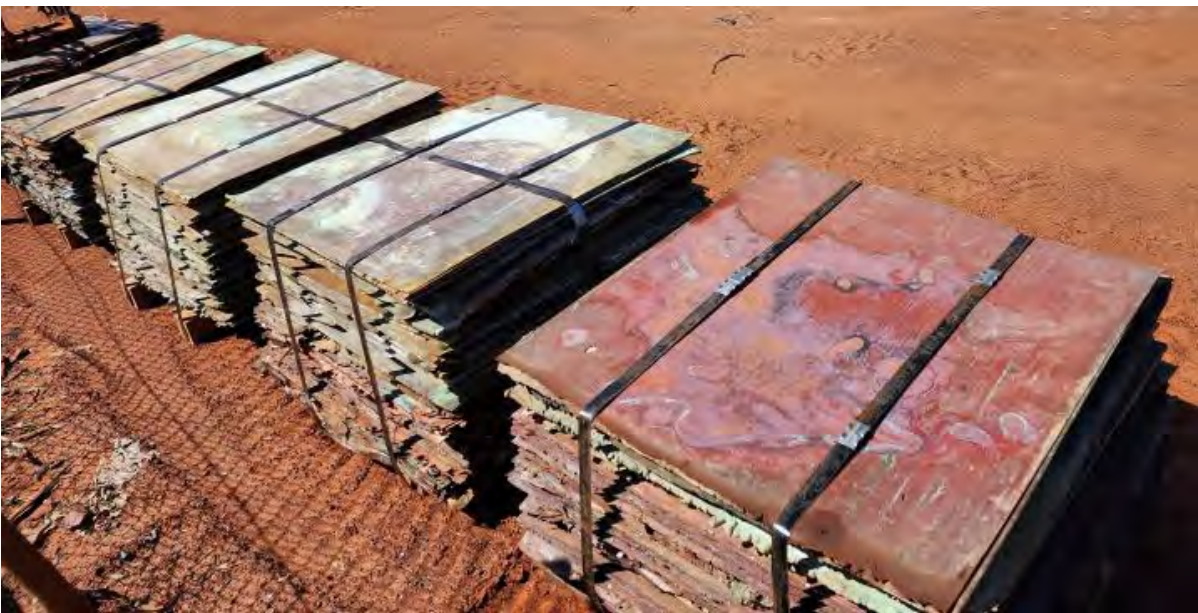


Image 9 / Recovered copper cathode packed onto pallets ready for sale – red metal plates

The site team have worked through a site clean-up programme covering a significant amount of material across the whole site. The useable items are catalogued through the stores system and relocated to a secure site. The process now involves sorting the required and excess stores (such as underground equipment and parts) and then sending the surplus material for sale. This process has commenced with equipment loaded into containers and being dispatched to Perth. Image 10 shows one of the stocked warehouses following sorting and storing.



Image 10 / One of the stores warehouses cleaned, sorted and catalogued - ready to go

Scrap material has been collected and sorted by material type on the waste dump and a contractor is currently on-site sorting and taking scrap material away for recycling.



Image 11 / Cranes in bays – ready to go

The on-site equipment and workshop areas have been cleaned up, serviced and brought back to standard. Equipment that could not be brought back to standard has been marked for disposal and if necessary, replaced. Image 11 shows cranes in the bays ready to go.

Fixed infrastructure has been reviewed and assessed for refurbishment once the construction commences. Areas such as the camp accommodation (rooms and dry mess) being refurbished and significant data communications infrastructure upgrades to bring them up to standard ready for commencement of construction activities. The remaining rooms will be completed concurrently as the project ramps up. If the item does not require refurbishment, it has been cleaned up and serviced ready to go, such as the concrete batching plant which is shown in Image 12.



Image 12 / Concrete batching plant cleaned and serviced – ready to go

Project finance remains the key focus for Cyprium. The pre-development work continued in parallel with the finance process, as it was intended to ensure that the Nifty site was ready at the go-line for when financing was completed, prior to the commencement of refurbishment and construction activities.

Much of the operational readiness activities have now been completed, so being prudent and minimising ongoing holding costs, the Company has temporarily downsized its Nifty site workforce to approximately 20 personnel and contractors. The Nifty site has been secured and there are sufficient personnel on site to maintain the site to enable a quick transition to construction activities once finance is obtained. The personnel will ensure maintenance of statutory regulations and reporting requirements, and operational, mechanical and electrical integrity of the infrastructure, and continue to advance refurbishment activities with existing materials that are already on site.

Scrap retrieval activities are continuing, and the site team are sending equipment that is surplus to project requirements (such as underground equipment) back to Perth for sale and disposal. Sale of surplus and salvage equipment has already commenced.

### **Project Finance Update**

The financing process has taken longer than we expected, however remains the key focus for Cyprium. The Financing process, which is targeting AUD240 million to AUD260 million debt funding package (including cost overrun contingency and working capital) for the financing of the Nifty restart and project costs, which is expected to comprise of senior secured financing, subordinated debt, and offtake financing. An exclusivity period that was included in the Letter of Intent as announced on 27 June 2022 has ended. Positive discussions, due diligence activities, documentation, and negotiation of terms with numerous parties are continuing.

## Murchison Copper-Gold Project

Cyprium was pleased to report assay results from the April/May 2022 reverse circulation (“RC”) drilling campaign which was completed at the Nanadie Well Project (“NWP”).

The Highlights of the drilling programme were:

- RC drilling at the Nanadie Well Project has identified broad anomalous zones copper–nickel-PGE mineralisation 1.6 kilometres north of the Nanadie Well resource
- RC drilling on the 10 kilometre long layered magmatic/greenstone-metasediment basal contact has identified further copper-nickel-PGE mineralisation
- RC drilling has successfully tested the Nanadie mineralisation a further 1.6km along strike to the north
- These encouraging results have been prioritised for follow up geophysical and drilling programmes

The RC drilling assay results included:

- 4m @ 746 ppm Cu & 0.11 ppm Pd from 100m in 22NWRC002
- 16m @ 2,325 ppm Cu & 0.06 ppm Au from 88m in 22NWRC003A, including:
  - 4m @ 6,250 ppm Cu & 0.15 ppm Au from 92m
- 68m @ 2,305 ppm Cu, 0.09 ppm Pd & 0.05 ppm Pt from 36m in 22SKRC001
- 56m @ 3,337 ppm Cu, 0.14 ppm Pd & 0.06 ppm Pt from 116m in 22SKRC001 including:
  - 24m @ 5,002 Cu, 1,294 ppm Ni, 0.23 ppm Pd & 0.11 ppm Pt from 140m
- 4m @ 4,720 ppm Cu, 1,330 ppm Ni, 0.28 ppm Pd & 0.11 ppm Pt from 68m in 22SKRC002
- 12m @ 3,620 ppm Cu, 0.09 ppm Pd & 0.06 ppm Pt from 116m in 22SKRC002

The 6 RC drillhole programme tested a variety of exploration targets in the NWP for a total of 918 metres as detailed in Figure 2, Image 13 and Long section 1.

The Stark basal contact target consists of magmatic Cu-Ni-PGE mineralisation associated with the Barrambie Igneous Complex (“BIC”), a layered mafic-ultramafic intrusive complex that extends for 75 kilometres along a major NNW-SSE striking crustal boundary – the Youanmi Shear Zone. Mineralisation observed by previous operators and Cyprium consists of disseminated, stringer, matrix, semi-massive and massive sulphides – primarily chalcopyrite with lesser pyrrhotite, pyrite and pentlandite – located at or near the base of some intrusions within the complex

Outcropping Cu-Ni gossan and sulphide mineralisation was discovered in and around shallow historic workings at the Stark prospect in 2014. Mineralisation is hosted by gabbro on or near its basal contact with banded iron formation (“BIF”) and plunges gently south. Limited historical exploration at the prospect has included geological mapping and surface sampling, geophysics and drilling.

Two holes were drilled at Stark as part of the recent program, with one drillhole testing a SQUID EM anomaly and the other one testing up plunge of previous drill intercepts. Both drillholes hit sulphide mineralisation in gabbro above the basal BIF contact:

- 22SKRC001 intersected a wide interval of disseminated, matrix and semi-massive chalcopyrite and pyrrhotite from 36m within an embayment in the basal gabbro contact, and returned:
  - 68 m @ 2,305 ppm Cu from 36 m,
  - 56 m @ 3,337 ppm Cu from 116 m including,
    - 24 m @ 5,002 ppm Cu, 1,294 ppm Ni, 0.23 ppm Pd & 0.11 ppm Pt from 140 m
- 22SKRC002 intersected disseminated to splashy pyrrhotite and chalcopyrite towards the base of the gabbro, returning an intercept of 12 m @ 3,620 ppm Cu from 116 m

Cyprium tenements partly cover 12 kilometres of the BIC and 10 kilometres of lightly explored prospective basal contacts. Cyprium considers that potential for polymetallic sulphide mineralisation has already been demonstrated. Geophysical and drilling programmes are currently being designed to follow up this prospective magmatic intrusive basal contact.

A line of four holes was drilled to test 1.6km along strike north of the Nanadie Well Inferred Mineral Resource (40.4 Mt @ 0.40 % Cu, 0.10 g/t Au, refer to CYM ASX announcement: 19 July 2022, “Nanadie Well Mineral Resource Estimate”) in the vicinity of anomalous intercepts in historic drillholes. Transported overburden up to 50m thick presented drilling challenges, which meant that drillhole 22NWRC003 had to be abandoned at 66m and redrilled nearby as 22NWRC003A. Finely disseminated chalcopyrite was logged sporadically throughout the holes, with the greatest volume between 86 m and 98 m in 22NWRC003A returning:

- 16 m @ 2,325 ppm Cu from 88 m including:
  - 4 m @ 6,250 ppm Cu & 0.15 ppm Au from 92 m

The RC drilling was designed to test the northern extents of the Nanadie Well layered magmatic intrusive polymetallic mineralisation. The 16m zone of copper/gold mineralisation intersected in 22NWRC003A, 1.6 km north of the current Nanadie Well mineral resource, demonstrates the extensional potential of the system and follow up geophysical and drilling programmes are being designed by Cyprium geologists to further test this potential.

The drilling has successfully tested the extensional potential of the current Nanadie Well mineralisation to the north. The results open up a further 1.6km of potential strike for the current mineralisation. Cyprium is planning the next stage of work programmes to target the potential mineralised corridor.

Analytical samples for the Nanadie Well extensional and Stark basal contact investigation programmes were collected as 4 m scoop split composites. Cyprium geologists will select and submit for assay 1 m splits from the mineralised composites to gain a full understanding of the grade distributions and to assist in the design of follow up geophysical and drilling programmes for both exploration programmes.





**Image 13 / RC drill chips: 22SKRC001 146m to 165m, Gabbro with stringer pyrrhotite/pyrite/chalcocopyrite. 19m at 5,000 ppm Cu, 1,297 ppm Ni, 100 ppm Co, 0.28 ppm Pd, 0.11 ppm Pt**

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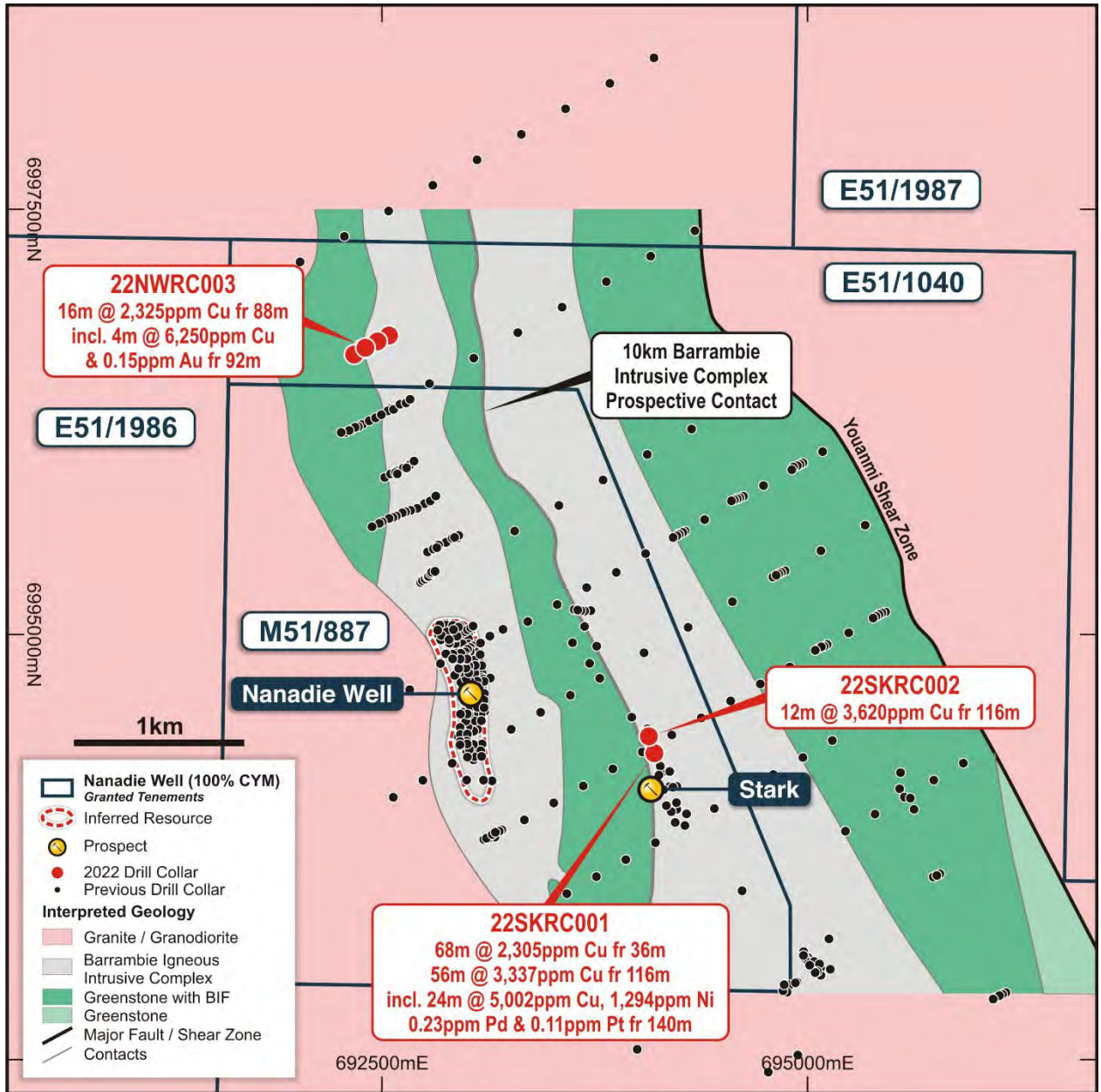
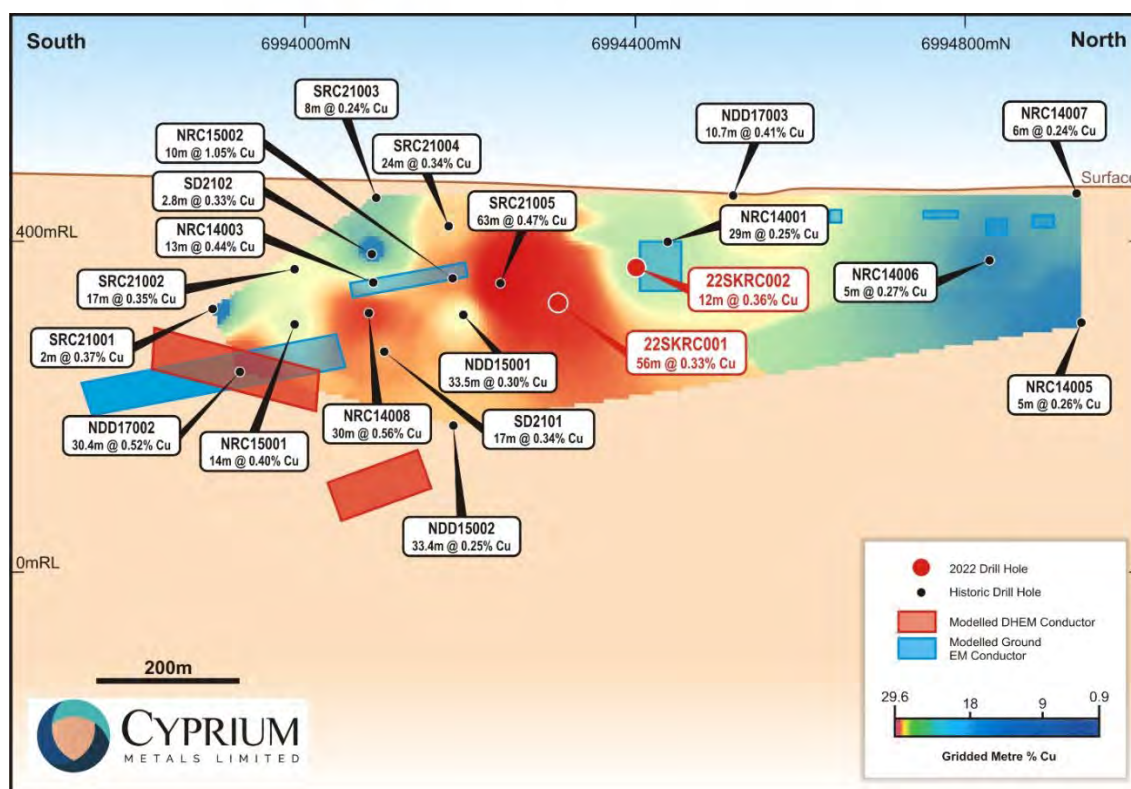


Figure 2 / Nanadie Project RC drillhole collar location plan

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Long Section 1 / Stark RC drilling 2022

## Capital Structure

The capital structure of the Company Limited as at 30 September 2022 is summarised as follows:

| Security   | Number      |
|--|-------------|
| <b>Fully Paid Ordinary Shares</b>  |             |
| Issued Ordinary Shares (includes Placement Shares)                                     | 730,198,300 |
| <b>Performance Rights</b>  |             |
| Unvested performance rights at a nil exercise price, subject to performance conditions | 58,250,000  |
| <b>Share Options</b>   |             |
| Unlisted share options exercisable at 30 cents each, expiring 11 December 2022         | 6,000,000   |
| Unlisted share options exercisable at 35.51 cents each, expiring 30 March 2023         | 20,274,755  |
| <b>Convertible Notes</b>   |             |
| Unlisted Convertible Notes at 4% per annum, maturing 30 March 2025                     | 101,373,777 |

Cyprium received \$16.8 million (after costs) through an oversubscribed placement from sophisticated, professional and institutional investors of 139,130,435 fully paid ordinary shares ("Shares") in the Company at \$0.115 per Share (the "Placement") and 16,748,651 shares issued from an Entitlements issue at \$0.115 per Share ("Entitlement Offer").

## Financial Commentary

The cash flow report (Appendix 5B) for the September 2022 quarter provides an overview of Cyprium's financial activities.

The Nifty copper project site incurred \$8.6 million expenditure during the September 2022 quarter, including personnel, assays, technical and base line studies, surveys, metallurgical testwork, engineering design, SX-EW and related infrastructure refurbishment, camp refurbishment, maintenance and administration activities.

Exploration expenditure for the September 2022 quarter was \$0.6 million, including drilling, assay costs, geological analysis and fieldwork. There was also \$1.7 million for stamp duty on the Paterson Copper Assets acquisition, \$0.3 million for deferred consideration for the Nanadie Well tenement acquisition and \$0.9 million of expenditure spent on other administrative and personnel costs, including \$40,000 paid for Directors fees (refer to item 6.1 of appendix 5B).

Cyprium received \$16.8 million (after costs) through the Placement and Entitlement Issue.

## December 2022 Quarter Plans

- Continuation of the Nifty Heap Leach Restart development plans with an aim of establishing an efficient long-term producing copper mine, including:
  - Finalise the Financing of the project during Q4 2022
  - Ongoing metallurgical testwork and optimisation
  - Pit optimisation and mine scheduling activities based on updated mineral resource model
  - Continue the camp refurbishment
  - Continue the Government approval process for the Heap Leach Restart
  - Further updates of the Mineral Resource and in pit inventory, including expansion options
  - Complete financing and final government approvals post FID
- Continue a review of the Maroochydore Copper-Cobalt Project drilling assay results and the core for geological interpretation.
- Continue a review of the Nandie Well Copper-Gold Project drilling assay results

This ASX announcement was approved and authorised by the Board.

### For further information:

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Follow the Company developments through our website and social media channels:



## Announcements

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (“JORC Code, 2012”). Further details (including JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

- 28 Sep 2022 Nifty Copper Project Update
- 05 Oct 2022 Nifty Copper Project Update
- 17 Oct 2022 1-2-1 Tech Metals Investor Presentation
- 26 Oct 2022 Nanadie Well Project Copper-Nickel-PGE RC Drilling Results
- 28 Oct 2022 Investor Presentation

These announcements are available on the Company’s website, <https://cypriummetals.com/investor-centre/asx-announcements/>.

## Tenement Information

| Tenement   | Location              | Interest |
|--|-----------------------|----------|
| Cyprium has an 80% joint venture interest in the Cue Copper-Gold project’s copper, gold and silver mineralisation however Musgrave Minerals Limited (ASX Code: MGV) has a 100% interest in primary gold deposits that are not associated with copper-gold deposits, for the following tenements at the Cue Copper Project, WA:<br>M20/0225, M20/0245, M20/0277, M20/526, E20/0606, E20/0608, E20/0616, E20/0629, E20/0630, E20/0659, E20/0698, E20/0700, E20/0836 and P20/2279                           | Murchison region, WA  | 80%      |
| Cyprium has a 100% interest in the Nanadie Well Copper-Gold Project, WA, which comprises the following tenements:<br>M51/887, E51/1040, E51/1986 and E51/1987  | Murchison region, WA  | 100%     |
| Cyprium has a 100% interest in the Paterson Copper Project (Nifty Copper Mine and Maroochydore Copper Project), WA, which comprises the following tenements:<br>E45/1018, E45/1840, E45/1841, E45/3011, E45/4318, M45/314, M45/315, M45/317, M45/318, M45/492, P45/2924, P45/2925, P45/2926, P45/2927, P45/3055, L45/102, L45/128, L45/143, L45/148, L45/74, L45/91, M271SA, E45/4319, E45/5705, M45/711, M45/712, M45/713, M45/745, M45/746, P45/3150, P45/3151, E45/6263, M45/752, M45/753 and M45/754 | Paterson Province, WA | 100%     |
| Cyprium has a 100% interest in the Paterson Exploration Project, WA (IGO earning up to 70%), which comprises the following tenements:<br>E45/1839, E45/2280, E45/2415, E45/2771, E45/2772, E45/2773, P45/2792, P45/2793, P45/2794, P45/2801, P45/2802, P45/2803, P45/2804, P45/2805, P45/2806, P45/2807, P45/2808, E45/3573, E45/3574, E45/3575, E45/3576, E45/3577, E45/4151, E45/4205, E45/4234, E45/4862, E45/5199, E45/5300, M45/1109, M45/1110, M45/1111, M45/1112, M45/1113, M45/1114              | Paterson Province, WA | 100%     |

### Changes during the September 2022 Quarter:

There were no changes during the quarter.



## Competent Person

The information in this report that relates to the estimation and reporting of the Nifty Mineral Resource Estimate dated 16 May 2022 is an accurate representation of the recent work completed by CSA Global Pty Ltd. Ms. Felicity Hughes has compiled the work for CSA Global and is an Associate of CSA Global Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy (106498). Ms. Hughes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person (CP). Ms. Hughes consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to Exploration Targets, Exploration Results and the estimation and reporting of the Hollandaire Mineral Resource Estimate is an accurate representation of the available data and is based on information compiled by external consultants and Mr. Peter van Luyt who is a member of the Australian Institute of Geoscientists (2582). Mr. van Luyt is the Chief Geologist of Cyprium Metals Limited, in which he is also a shareholder. Mr. van Luyt has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (CP). Mr. van Luyt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Maroochydore Mineral Resources is based on information compiled by Mr Terry Burns BAppSc (Geology) GDipEd PDGeosci (Mineral Economics) GDipEng (Mining), a Competent Person who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Burns was an independent consultant to Cyprium Metals Limited and is a director of Warbrooke-Burns & Associates Pty Ltd which was the entity providing services to Cyprium Metals Limited. Warbrooke-Burns & Associates Pty Ltd is retained by Cyprium Metals Limited under industry standard commercial consulting rates. Mr Burns has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burns consents to the inclusion in the report of the matters based on his compilation and in the form and context in which it appears.

The information in this report that relates to Exploration Targets, Exploration Results and the estimation and reporting of the Nanadie Well Mineral Resource Estimate is an accurate representation of the available data and is based on information compiled by Mr. Daniel Noonan who is a member of the Australian Institute of Mining and Metallurgy (204063). Mr. Daniel Noonan is the Senior Resource Geologist for Cyprium Metals Limited, in which he is also a shareholder. Mr. Noonan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (CP). Mr. Noonan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Cyprium confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.



## About Cyprium Metals Limited

Cyprium Metals Limited (ASX: CYM) is an ASX listed company with copper projects in Australia. The Company has a highly credentialed management team that is experienced in successfully developing sulphide heap leach copper projects in challenging locations. The Company's strategy is to acquire, develop and operate mineral resource projects in Australia which are optimised by innovative processing solutions to produce copper metal on-site to maximise value.

The Company has projects in the Murchison and Paterson regions of Western Australia that is host to a number of base metals deposits with copper and gold mineralisation.

### Paterson Copper Projects

This portfolio of copper projects comprises the Nifty Copper Mine, Maroochydore Copper Project and Paterson Exploration Project.

The Nifty Copper Mine ("Nifty") is located on the western edge of the Great Sandy Desert in the north-eastern Pilbara region of Western Australia, approximately 330km southeast of Port Hedland. Nifty contains a 2012 JORC Mineral Resource of 940,200 tonnes of contained copper<sup>i</sup>. Cyprium is focussed on a heap leach SX-EW operation to retreat the current heap leach pads as well as open pit oxide and transitional material. Studies will investigate the potential restart of the copper concentrator to treat open pit sulphide material.

The Maroochydore deposit is located ~85km southeast of Nifty and includes a shallow 2012 JORC Mineral Resource of 486,000 tonnes of contained copper<sup>ii</sup>. Aeris Resources Limited (ASX: AIS, formerly Straits Resources Limited) holds certain rights to "buy back up to 50%" into any proposed mine development in respect of the Maroochydore Project, subject to a payment of 3 times the exploration expenditure contribution that would have been required to maintain its interest in the project.

An exploration earn-in joint venture has been entered into with IGO Limited on ~2,400km<sup>2</sup> of the Paterson Exploration Project. Under the agreement, IGO is to sole fund \$32 million of exploration activities over 6.5 years to earn a 70% interest in the Paterson Exploration Project, including a minimum expenditure of \$11 million over the first 3.5 years. Upon earning a 70% interest, the Joint Venture will form and IGO will free-carry Paterson Copper to the completion of a pre-feasibility study (PFS) on a new mineral discovery.

### Murchison Copper-Gold Projects

Cyprium has an 80% attributable interest in a joint venture with Musgrave Minerals Limited (ASX: MGV) at the Cue Copper-Gold Project, which is located ~20km to the east of Cue in Western Australia. Cyprium will free-carry the Cue Copper Project to the completion of a definitive feasibility study (DFS). The Cue Copper-Gold Project includes the Hollandaire Copper-Gold Mineral Resources of 51,500 tonnes contained copper<sup>iii</sup>, which is open at depth. Metallurgical test-work has been undertaken to determine the optimal copper extraction methodology, which resulted in rapid leaching times (refer to 9 March 2020 CYM announcement, "*Copper Metal Plated*", <https://cypriummetals.com/copper-metal-plated/>).

The Nanadie Well Project is located ~650km northeast of Perth and ~75km southeast of Meekatharra in the Murchison District of Western Australia, within mining lease M51/887, includes the Nanadie Well Copper-Gold Mineral Resources of 162,000 tonnes contained copper<sup>iv</sup>, which is open at depth and along strike to the north.

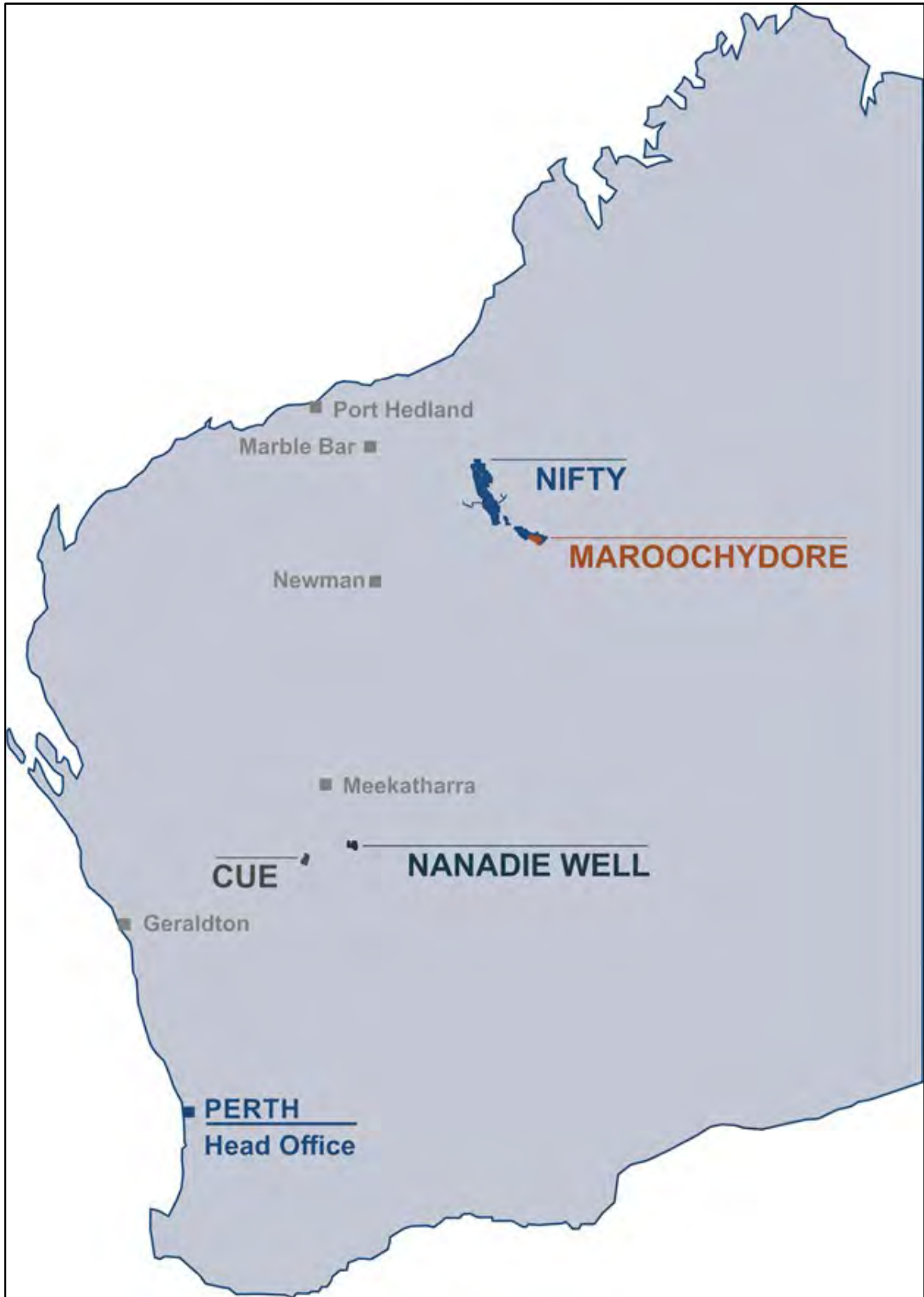
The Cue and Nanadie Well Copper-Gold projects are included in an ongoing scoping study, to determine the parameters required to develop a copper project in the region, which provides direction for resource expansion work.

<sup>i</sup> Refer to CYM ASX announcement dated 16 May 2022 "28.4% increased Nifty Copper MRE to 940,200t copper metal"

<sup>ii</sup> Refer to MLX ASX announcements: 10 March 2020, "Nifty Copper Mine Resource Update" and 18 August 2016, "Annual Update of Mineral Resources and Ore Reserves"

<sup>iii</sup> Refer to CYM ASX announcement: 29 September 2020, "Hollandaire Copper-gold Mineral Resource Estimate"

<sup>iv</sup> Refer to CYM ASX announcement: 19 July 2022, "Nanadie Well Mineral Resource Estimate"



*Cyprium Metals project locations*

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